



## City of San Marcos

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San Marcos, Texas 78666

## NEWS

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For Immediate Release

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### City Council to Consider 2011 Budget Tuesday

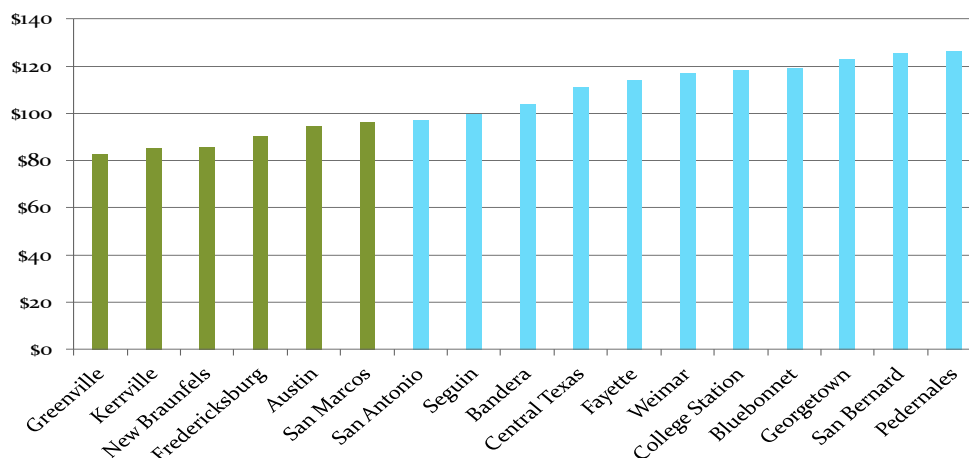
The San Marcos City Council will hold public hearings and consider increases in electric rates and drainage utility fees as it reviews and votes on a \$145.8 million city budget Tuesday, Sept. 7 on first reading.

The proposed budget maintains the property tax rate at the same rate of \$0.5302, decreasing the average homeowner's tax bill by \$5.62. The average home decreased in value from \$119,462 in 2009 to \$118,402 in 2010. Water / wastewater rates are also remaining the same.

The 2010-2011 spending plan includes \$41.1 million in the General Fund (up 2.95%), \$28.6 million in the Water/ Wastewater Utility (up 6%), and \$52.3 million in the Electric Utility (down 7%). Public hearings on the budget and the proposed utility increases are scheduled for Sept. 7, with first reading Tuesday and final reading on Sept. 21. The 2011 budget takes effect October 1,

2010 through  
September 30,  
2011.

#### Cost Comparison based on 1,000 kWh



An independent rate study recommends a 1.4% effective electric rate increase that would cost the average residential ratepayer using 1,500 kilowatt hours \$1.85 more per month.

The rate study indicated the Electric Utility fund will require small increases annually through 2016 to support operations, capital projects and to maintain an adequate fund balance.

City of San Marcos electric rates continue to be below the midrange of electric rates charged by Central Texas cities and electric cooperatives. The last electric rate increase in San Marcos was in 2005-2006.

A proposed 42% increase in drainage utility fees would increase the monthly drainage bill by \$1.66 for the average residence, from \$3.96 to \$5.62. A study recommended increases over the next several years to support the drainage utility, which pays for storm sewer projects, mowing rights-of-way, and drainage maintenance across the city.

<b>Current and Proposed Drainage Rates:</b>			
Lot Size	Current	Proposed	Diff.
Small	\$2.47	\$3.52	\$1.04
Medium	\$3.96	\$5.62	\$1.66
Large	\$4.53	\$6.43	\$1.90

An increase in cemetery lot fees from \$500 to \$800 recommended by the Cemetery Commission is also proposed to support cemetery maintenance costs.

The City Council will consider a compensation plan to move non-civil service employees closer to market level pay schedules. Following budget discussions in August, staff will bring back a compensation plan aimed at adjusting non-civil service employee salaries with a small across the board increase and a merit program. Some 76% of non-civil service workers are below market salaries, including 49% who are close to the minimum range.

The General Fund budget being considered includes year two of a compensation package for the police and fire civil service employees negotiated last year.

Other highlights of the proposed budget include:

- Continuing investments in economic development and small business retention
- Marketing programs for tourism, branding and conventions
- Full year staffing for Downtown Fire Station
- Municipal parks improvements
- Capital Projects investments, including roads, bicycle and pedestrian facilities
- City/ County partnership on downtown facilities
- Energy efficiency and water conservation program
- Expansion of household hazardous waste program
- Collaboration with Hays County, San Marcos CISD, Texas State University, CAMPO, CAPCOG, L-Star Rail, Austin-San Antonio Corridor Council, and other entities.
- Investments in the Hays Caldwell Public Utility Agency for future water resources

The budget is being developed under the direction of Interim City Manager Laurie Moyer, Assistant City Manager Collette Jamison, Finance Director Steve Parker, Assistant Finance Director Heather Hurlbert and staff.

The proposed budget and other documents are posted online at [www.sanmarcostx.gov](http://www.sanmarcostx.gov).

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